

REMARKS

I. Claim Objections

The examiner objected to claims 1 and 17. Applicant has amended claims 1 and 17. Applicant agrees with the Examiner's remarks and has responded to each claim objection in the manner the Examiner has suggested.

II. Claim Rejections under 35 USC 102

The Examiner rejected claims 17, 72, 74, and 80 under 35 USC 102(e) as being anticipated by Scott (US Patent 6,484,260). Applicant has amended claim 17 to include an integrated graphical display where the first and second system states are configured to enable computing activities by the first and second users via the integrated graphical display.

Amended claim 17 and dependent claims 72, 74, and 80 are in a condition for allowance because Scott does not teach describe or suggest using system states to enable computing activities by the first and second users via the integrated graphical display. On the contrary, Scott is directed to using its controller to log on to a host system via a communication unit. (See Scott at column 1, lines 45-65). Thus, even if Scott teaches separate system states, any computing activity takes place on the host computer. As such, Scott does not teach describe or suggest such computing activities on the controller device itself, nor its integrated graphical display. For at least this reason, claims 17, 72, 74, and 80 are in a condition for allowance.

III. Claim Rejections under 35 USC 103

The Examiner has rejected claims 76, 78, and 82 under 35 USC 103. Applicant has amended independent claim 17. For the reasons stated with regard to the Examiner's rejection under 35 USC 102(e), claim 17 is in a condition for allowance. As such, dependent claims 76, 78, and 82 are in a condition for allowance and should no longer be rejected under 35 USC 103.

IV. Allowable Subject Matter

The Examiner has indicated that claims 1, 71, 73, 75, 77, 79, and 81 would be allowable if re-written to overcome the objection to independent claim 1. Independent claim 1 has been amended to address the examiner's objections. New claims 83-88 comprise the same language of amended claim 1 as well as the limitations shown in cancelled claims 71, 73, 75, 77, 79, and 81. As such, new independent claims 83-88 comprise allowable subject matter as well.

CONCLUSION

In view of the amendments and remarks made above, it is respectfully submitted that the pending claims are in condition for allowance, and such action is respectfully solicited. If it is believed that a telephone conversation would expedite the prosecution of the present application, or clarify matters with regard to its allowance, the Examiner is invited to contact the undersigned attorney at the number listed below.

The Commissioner is hereby authorized to charge payment of any required fees associated with this Communication or credit any overpayment to Deposit Account No. 04-1175.

Respectfully submitted,

DISCOVISION ASSOCIATES



Micah Goldsmith, Esq.
Reg. No. 43,638

Dated: August 24, 2004

DISCOVISION ASSOCIATES
INTELLECTUAL PROPERTY DEVELOPMENT
P. O. BOX 19616
IRVINE, CA 92623
(949) 660-5000